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A/ISS/IPS, Department of State
E.O. 12958, as amended
June 19, 2008



OFFICE OF THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

21 NOV 1975
In reply refer to
I-10124/75

MEMORANDUM FOR LGEN SCOWCROFT, ASSISTANT TO THE PRESIDENT FOR NATIONAL
SECURITY AFFAIRS

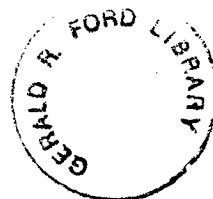
SUBJECT: Yugoslav Requests for US Military Equipment

(U) This responds to your request of 22 September for a further report on the status of the sale of military equipment to Yugoslavia.

(C) Good progress has been made since our last status report to you on this subject. A significant step has been DoD and State agreement to make the TOW anti-tank weapon system available to the Yugoslavs. However, the Yugoslavs have not yet been informed because of lack of US agreement on when delivery could be made. This Department has proposed to tell them that TOW is available from normal production after an order is placed in accordance with FMS procedures. (Given US force needs and other approved FMS cases, this would permit delivery to the Yugoslavs beginning in about two years.) State believes we need to give the Yugoslavs more tangible evidence of our good faith. They propose that we provide a nominal number of TOW systems for training and familiarization in the immediate future, with the balance to follow from production. For the reasons cited above, primarily the need for rebuilding the TOW inventory for our own forces, DoD has not agreed to this procedure. Notification to Yugoslavia of TOW availability awaits resolution of this matter.

(C) With regard to the list of items presented to then Secretary of the Air Force McLucas on 1 August, we have made excellent progress. The Acting Secretary of the Air Force has just forwarded a letter to the Yugoslav Air Force Commander, informing him that the majority (over 60%) of the items listed are available to Yugoslavia. As requested, General Cemalovic has been given the names and addresses of possible commercial suppliers of the approved items. Once they have studied our response and refined their requirements, the Yugoslavs presumably will undertake to satisfy their needs through commercial enterprises. Should they, however, elect to pursue purchase of the items through FMS procedures, we will be prepared expeditiously to process such requests. (An update of the detailed 1 August list, provided as attachment (2) to my 6 September memorandum, is attached hereto.)

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(C) I believe these steps are responsive to the President's desire to move forward with appropriate sales to Yugoslavia. Approval of the TOW system should be a large plus in our bilateral relations because of TOW's high visibility as a first line weapon system. Approval of a large number of items on the 1 August list should also be well received by the Yugoslavs, particularly the availability to them of modern helicopters, numerous radars and sophisticated command and control equipment. DoD representatives have been in touch with the Yugoslav Military Attache in Washington, and U.S. Embassy personnel in Belgrade have been in touch with officials there, with regard to obtaining Yugoslav responses where we have already made offers or asked for clarification. We have tried to impress upon Yugoslav officials that there must be two-way communications if we are to establish a meaningful and productive dialogue. In the case of requested items which we still do not favor making available to Yugoslavia, because of concern for the state of technology involved and security considerations, we will keep such items under continuing review for possible future approval.

(C) The most salutary factor in our developing relationship is that we are becoming acclimated to giving serious and sympathetic consideration to Yugoslav requests, whereas a year ago we had virtually no dealings with them. Thus, despite some continuing difficulties on both sides, we are confident that progress will continue as both the US and the Yugoslav military sales organizations gain experience and familiarity in dealing with each other.

A.P. Clement
Deputy Secretary of Defense

Attachment
a/s

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